

# SENATE BILL 420

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By: **Senators Hayes and M. Washington**

Introduced and read first time: January 19, 2024

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **State Procurement – Preferred Providers – Removal of Maryland Correctional**  
3 **Enterprises**

4 FOR the purpose of repealing certain provisions of law establishing Maryland Correctional  
5 Enterprises as a preferred provider of supplies and services for certain State  
6 procurements; and generally relating to preferred providers and State procurement.

7 BY repealing and reenacting, without amendments,  
8 Article – State Finance and Procurement  
9 Section 14–101(a) and (d)  
10 Annotated Code of Maryland  
11 (2021 Replacement Volume and 2023 Supplement)

12 BY repealing and reenacting, with amendments,  
13 Article – State Finance and Procurement  
14 Section 14–103, 14–106, and 14–107  
15 Annotated Code of Maryland  
16 (2021 Replacement Volume and 2023 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
18 That the Laws of Maryland read as follows:

19 **Article – State Finance and Procurement**

20 14–101.

21 (a) In this subtitle the following words have the meanings indicated.

22 (d) “Preferred provider” means a provider of supplies or services given preference  
23 in § 14–103 of this subtitle.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 14–103.

2 (a) A State or State aided or controlled entity shall buy supplies and services  
3 from:

4 (1) [Maryland Correctional Enterprises, as provided in Title 3, Subtitle 5  
5 of the Correctional Services Article, if Maryland Correctional Enterprises provides the  
6 supplies or services;

7 (2)] Blind Industries and Services of Maryland, if[:

8 (i)] Blind Industries and Services of Maryland provides the supplies  
9 or services; [and

10 (ii) Maryland Correctional Enterprises does not provide the supplies  
11 or services;] or

12 [(3)] (2) the Employment Works Program established under § 14–108 of  
13 this subtitle, if:

14 (i) a community service provider or an individual with disability  
15 owned business provides the supplies or services;

16 (ii) [neither Maryland Correctional Enterprises nor] Blind  
17 Industries and Services of Maryland [provides] **DOES NOT PROVIDE** the supplies or  
18 services; and

19 (iii) a State or State aided or controlled entity is not required by law  
20 to buy the supplies or services from any other unit of the State government.

21 (b) A State or State aided or controlled entity shall give preference to the  
22 providers listed under subsection (a) of this section in the order that the providers are listed.

23 (c) To the extent practicable, a State or State aided or controlled entity shall  
24 include in a maintenance contract that has a component for housekeeping or janitorial  
25 services, a requirement that a prime contractor procure janitorial products from Blind  
26 Industries and Services of Maryland if the specified products are made, manufactured,  
27 remanufactured, or assembled by Blind Industries and Services of Maryland and are  
28 available.

29 14–106.

30 (a) In this section, “Committee” means the Pricing and Selection Committee for  
31 Preferred Providers.

32 (b) There is a Pricing and Selection Committee for Preferred Providers.

1 (c) The Committee consists of the following 5 members:

2 (1) the Secretary of Transportation or a designee;

3 (2) the Secretary of General Services or a designee;

4 (3) [the Secretary of Public Safety and Correctional Services or a designee;

5 (4)] the Assistant Secretary for Vocational Rehabilitation within the State  
6 Department of Education or a designee; and

7 [(5)] (4) the Secretary of Labor or a designee.

8 (d) A member of the Committee:

9 (1) may not receive compensation; but

10 (2) is entitled to reimbursement for expenses under the Standard State  
11 Travel Regulations as provided in the State budget.

12 (e) (1) Blind Industries and Services of Maryland shall provide staff for the  
13 Committee.

14 (2) The staff provided in accordance with paragraph (1) of this subsection  
15 shall:

16 (i) be a blind or a visually impaired associate of Blind Industries  
17 and Services of Maryland; and

18 (ii) complete work related to the duties of the Committee regarding  
19 Blind Industries and Services of Maryland under the supervision and direction of the  
20 Committee.

21 (f) The Committee shall:

22 (1) ensure that supplies and services provided by Blind Industries and  
23 Services of Maryland or an Employment Works Program community service provider create  
24 work opportunities for individuals who have a mental or physical disability, including  
25 blindness, for which Blind Industries and Services of Maryland or the Employment Works  
26 Program community service provider was established to assist;

27 (2) set the prices of supplies and services that Blind Industries and  
28 Services of Maryland provides to reflect the fair market prices for the supplies and services;

29 (3) [review and verify the prevailing average market prices, as proposed by  
30 Maryland Correctional Enterprises:

1 (i) when changes are made to the pricing of existing supplies and  
2 services that are available from Maryland Correctional Enterprises; and

3 (ii) for new supplies or services that Maryland Correctional  
4 Enterprises intends to make available;

5 **(4)** establish procedures to govern procurement of supplies, services, and  
6 other sales from Employment Works Program community service providers and individual  
7 with disability owned businesses;

8 **[(5)] (4)** from the State procurement list, choose appropriate supplies,  
9 services, and other sales for Employment Works Program community service providers and  
10 individual with disability owned businesses to offer for procurement;

11 **[(6)] (5)** provide that the State procure those supplies, services, and other  
12 sales from an Employment Works Program community service provider or an individual  
13 with disability owned business;

14 **[(7)] (6)** if supplies, services, or other sales are not available for  
15 procurement from a unit of the State government, determine whether supplies, services, or  
16 other sales are available from an Employment Works Program community service provider  
17 or an individual with disability owned business;

18 **[(8)] (7)** determine the fair market price of supplies, services, and other  
19 sales that Employment Works Program community service providers and individual with  
20 disability owned businesses provide;

21 **[(9)] (8)** in accordance with market conditions, adjust prices for the  
22 supplies, services, and other sales that Employment Works Program community service  
23 providers and individual with disability owned businesses provide; and

24 **[(10)] (9)** at the request of a community service provider or an individual  
25 with disability owned business, review and, if appropriate, change the price of a supply or  
26 service.

27 (g) In addition to the duties specified under subsection (f) of this section, the  
28 Committee shall:

29 (1) establish and periodically review eligibility policies or guidelines for  
30 participating community service providers and individual with disability owned  
31 businesses;

32 (2) maintain a current list of community service providers and individual  
33 with disability owned businesses;

1           (3)     periodically review and revise its list of community service providers  
2 and individual with disability owned businesses; and

3           (4)     send any revised list to the Chief Procurement Officer who shall make  
4 the list available to each person responsible for buying supplies or services for the State or  
5 a State aided or controlled entity.

6 14–107.

7           The Pricing and Selection Committee for Preferred Providers shall:

8           (1)     (i)     maintain a current list of supplies and services that Blind  
9 Industries and Services of Maryland provides; **AND**

10                   (ii)    maintain a current list of supplies, services, and other sales that  
11 community service providers and individual with disability owned businesses provide; [and

12                   (iii)   maintain a current list of supplies and services that Maryland  
13 Correctional Enterprises provides;]

14           (2)     periodically review and revise the lists of supplies, services, and other  
15 sales maintained in accordance with item (1) of this section; and

16           (3)     send the lists, and any revised lists, to the Chief Procurement Officer  
17 who shall make the lists available to each person responsible for buying supplies, services,  
18 or other sales for the State or a State aided or controlled entity.

19           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
20 October 1, 2024.